

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

November 8, 2004
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak¹, Davidson, Degginger, and Lee²

ABSENT: None.

1. Executive Session

Deputy Mayor Noble opened the meeting at 6:01 p.m. and announced recess to Executive Session for approximately 20 minutes to discuss one item of pending litigation and one item of potential litigation. A third item of potential litigation was added during the Executive Session.

The meeting resumed at approximately 6:26 p.m. with Mayor Marshall presiding.

2. Oral Communications

- (a) Iris Toscher, speaking on behalf of the West Lake Hills Citizen Advisory Committee, thanked Council for its support of the CAC's priorities in the preliminary 2005-2006 budget.
- (b) Shannon Boldizsar, Bellevue Chamber of Commerce, expressed opposition to the budget proposal regarding the City's fire inspection program and associated fee increases. As an example of the potential impact, Ms. Boldizsar shared a comment from Susan Benton, General Manager of Crossroads Shopping Center. Businesses at the center would be subject to an individual inspection fee. The landlord would have to pay a general inspection fee, the occupancy assembly fee, and a separate annual assembly permit fee. Ms. Boldizsar urged Council to reconsider the fee proposal.

¹ Mr. Chelminiak arrived at 6:08 p.m.

² Mr. Lee arrived at 6:06 p.m.

- (c) Clark Rice, V.P. of Kemper Development, delivered a letter from Kemper Development's president, James Melby, opposing the proposed fire inspection fee.
- (d) Lyle Bradley, Building Owners and Managers Association (BOMA) of Seattle and King County, spoke against the proposed fire inspection fee.
- (e) Janet Donaldson, V.P. for Facilities Development, Overlake Hospital Medical Center, encouraged Council approval of Resolution No. 7099 [Agenda Item 3(b)]. She noted that expansion of the hospital, in partnership with Group Health Cooperative, will benefit the region economically and generate more than 1,000 new jobs. She thanked Council for its ongoing support of this project.
- (f) Phil Lid, Senior V.P. with Trammell Crow, noted his company's role as development manager for Group Health for the Overlake Hospital Medical Center expansion project. He commended the City for completion of the draft EIS (environmental impact statement) and looks forward to continued work with the project team.
- (g) David Plummer said the income stream to be generated by Puget Sound Energy's nearly 18-percent increase in residential natural gas rates does not appear to be reflected in the City's budget. The budget's income projections also do not reflect PSE's proposed electric rate increase, which is currently under consideration by the Environmental Services Commission and the Transportation Commission. Mr. Plummer urged the City to respond to PSE regarding the rate increase.
- (h) Scott Weaver said development on Cougar Mountain during the past two years, including Open Window School and road improvements along Cougar Mountain Way, has been both positive and negative. He expressed concern about whether the Hanssen development project is following City policies and ordinances. In 1993, Mr. Hanssen cut down several trees without obtaining permits and the activity was stopped by the City. He resumed tree cutting in August 2004, which caused water drainage to adjacent residents' properties including Mr. Weaver's, and he removed one tree on Mr. Weaver's property. Mr. Weaver encouraged the City to penalize such activity. He asked the City to notify homeowners in the area regarding the permit issued and what activity it allows.

Mayor Marshall asked City Manager Steve Sarkozy to prepare a management brief regarding the issues raised by Mr. Weaver.

3. Study Session

(a) Council New Initiatives

Mayor Marshall said she and other Councilmembers have been contacted by Lori Taylor with a request to extend the hours of the Bellevue Farmers Market until 7:00 p.m. Ms. Taylor informed Mrs. Marshall she was required to pay for a traffic analysis and a SEPA (State Environmental Protection Act) study, which has not been required of any other farmers market in the state. The market is held in the parking lot of Bellevue First Presbyterian Church, which previously

completed its own SEPA analysis. Noting the market's popularity with residents, Mayor Marshall suggested Council direct staff to review the matter and determine the impact of extending the hours.

Mr. Chelminiak concurred with Mayor Marshall. He has received numerous emails, including those from residents living close to the market site, who enjoy the market.

Mayor Marshall noted Council consensus to direct staff to review the issue.

(b) NE 10th/Overlake EIS and Traffic Analysis

Transportation Director Goran Sparrman opened a presentation on the draft Environmental Impact Statement (EIS) for the Overlake Hospital Medical Center Master Plan and NE 10th Street extension projects. Tonight staff will request Council action to initiate the Comprehensive Plan Amendment (CPA) and Land Use Code Amendment (LUCA) process for the projects.

Mr. Sparrman noted the coordinated planning of the NE 10th Street extension project, Overlake/Group Health hospital expansion project, and the future I-405 expansion and ramp analysis. A more detailed presentation regarding transportation elements of the EIS is planned for the December 13 Council meeting. Phase 1 of the NE 10th Street extension project will be completed in 2007 and open to hospital campus traffic by 2008. Expansion of the hospital will be completed by 2008.

Mr. Sparrman described four alternatives for NE 10th Street that were studied as part of the EIS. Alternative 1 is the partial extension of NE 10th Street, which does not provide east-west access across I-405 as recommended in the Downtown Implementation Plan. Alternative 2 is the full extension of NE 10th Street across I-405 with ramps at NE 10th Street. Alternative 3 is the full extension of NE 10th Street with ramps at NE 12th Street. Alternative 4 represents full extension of the road across I-405 with ramps at both NE 10th and NE 12th Streets.

Carol Helland, Land Use Director, highlighted the following expected outcomes of the EIS:

- Environmental entitlements to support permit approvals for South Tower, Ambulatory Care Center, and Medical Office Building.
- Environmental entitlements to support permit approvals for the first phase of the NE 10th Street extension project.
- Background information for the City to help influence the Washington State Department of Transportation's decision on ramp location and configuration.
- Environmental analysis necessary to support adoption of Comprehensive Plan and Land Use Code amendments.

Ms. Helland displayed a drawing of the proposed Overlake Hospital Medical Center expansion to be completed by 2008. She explained that Comprehensive Plan and Land Use Code amendments are necessary to permit the form of urban development proposed on the campus and to provide the hospital with adequate development potential to offset the land area needed for the NE 10th Street extension. Anticipated amendments will replace the existing Institutional District

designation with Medical Institutional District and include land use standards and design guidelines necessary to address impacts associated with a more urban campus.

Ms. Helland requested Council action to declare an emergency to allow consideration of the Comprehensive Plan amendment separate from the 2004 CPA update and the 2005 annual amendment process. Postponing consideration of the CPA to the 2005 annual amendment process would preclude the issuance of permits required to meet deadlines contained in the hospital's certificate of need.

Responding to Mr. Degginger, Ms. Helland explained that the CPA is necessary for both the hospital project and the street extension. The road project leaves a smaller portion of land to develop. At the same time, Overlake Hospital Medical Center and Group Health are seeking a more urban campus with taller buildings and larger building footprints.

Responding to Dr. Davidson, Ms. Helland referred to dimensional charts on page 8-11 of the EIS outlining the differences between the current Institutional District and the proposed Medical Institutional District designation.

Ms. Helland reviewed the next steps in the process:

- November 18 – Open House and Public Hearing on draft EIS (4:30 – 7:00 p.m.)
- December 1 – Planning Commission introduction on CPA/LUCA
- December/January – Planning Commission meetings on CPA/LUCA
- December 13 – Council review of DEIS comments and I-405 alternatives
- February 2, 2005 – Planning Commission recommendation on CPA/LUCA
- February 24 – Final EIS release
- March 7 – Council consideration of recommended CPA/LUCA.

Responding to Councilmember Lee, Mr. Sparrman said the partial extension of NE 10th Street must be completed in a timely fashion to support expansion of the medical center campus.

Mayor Marshall noted Council's priority to be the regional medical hub for the Eastside. She hopes WSDOT will take into consideration that access to and from I-405 for emergency vehicles is critical to saving lives.

Resolution No. 7099 authorizing declaration of emergency consideration of certain amendments to the Comprehensive Plan outside of the 2004 update or 2005 annual amendment process; to support efforts to develop the extension of NE 10th Street between 116th Avenue NE and 112th Avenue NE necessary to facilitate the Overlake Hospital Medical Center and Group Health Cooperative proposals to expand on the Overlake campus, and stimulate the economy.

- ➡ Deputy Mayor Noble moved to approve Resolution No. 7099, and Mr. Lee seconded the motion.

Councilmember Degginger expressed concern that the City is funding the CPA instead of the applicant.

☉ The motion to approve Resolution No. 7099 carried by a vote of 7-0.

(c) 2004 Comprehensive Plan Update and accompanying Land Use Code Amendments (LUCAs)

Planning Director Dan Stroh opened discussion regarding the 2004 Comprehensive Plan update and accompanying Land Use Code amendments (LUCAs).

Kathleen Burgess, Comprehensive Planning Manager, said two public comments were received during the past week. One was from the Bellevue Downtown Association commenting on the Downtown Subarea plan (Page 3-69 of Council packet). Staff's response to Council regarding the BDA's letter is included beginning on page 3-65 of the meeting packet. A memo in Council's desk packet responds to comments submitted by David Plummer on November 4.

Ms. Burgess noted page 3-26 regarding urban densities and staff's recommendation on page 3-27.

Dr. Davidson feels cities should take their concerns regarding the Growth Management Act to the state legislature. His understanding is that the original intent of the Growth Management Hearings Boards was to act as referees on the issues as long as cities are accomplishing their growth goals. He is concerned special interest groups are having a disproportionate influence on the hearings boards.

Ms. Burgess responded to brief questions regarding the draft Citywide Focus section of the Land Use Element of the Comprehensive Plan (Page 3-37 of packet).

Mayor Marshall noted Council consensus to revise the Land Use Element as recommended by staff.

Patsy Bonincontri, Planning Commission Vice Chair, noted Attachment 2, the Commission's transmittal to Council regarding the proposed minimum density Land Use Code amendment. By a vote of 4-1, the Commission recommends Council approve an ordinance amending the Land Use Code to include minimum density requirements for residential areas outside of downtown. Two Commissioners were absent and Commissioner Robertson was the dissenting vote.

Responding to Councilmember Balducci, Mr. Stroh explained that the proposed amendment is consistent with an existing Countywide Planning Policy. Mr. Lee questioned the need to adopt the amendment when Bellevue is meeting its housing targets. Mr. Chelminiak concurred. Mr. Degginger shares Councilmembers' concerns regarding the rationale for the amendment.

Responding to Mayor Marshall, Mr. Stroh said a buildable land analysis indicates Bellevue is close to achieving full utilization of its land. Staff recommends approval of the amendment in the interest of achieving consistency with Countywide Planning Policies.

Deputy Mayor Noble feels it is still unclear as to whether the Countywide Planning Policies represent a mandate.

Kate Berens, Legal Planner, noted that the minimum density amendment and its exceptions are patterned after the City of Redmond's policies.

As an alternate approach, Mr. Degginger suggested addressing undeveloped parcels and areas to be redeveloped through zoning designations. He is concerned regarding the complexity of and necessity for the minimum density amendment. He questioned the appropriateness of the policy and the feasibility of its implementation.

Ms. Berens reviewed a handout depicting options of how minimum density exceptions could be implemented.

Responding to Mr. Degginger, Mr. Stroh explained that the Growth Management Act provides a framework for multi-county, countywide, and municipal policies. However, there is room for interpretation within the framework.

Mr. Degginger noted the conflicting goals of many policies. For example, environmental regulations might not be conducive to economic development goals. He feels compliance with the Growth Management Act should be considered as a whole rather than attempting to achieve exact consistency with every policy in the Act and Countywide Planning Policies.

Mayor Marshall stated Council's interest in an opinion from the City Attorney's Office before proceeding with action on the minimum density Land Use Code amendment.

Moving to the Housing Element, Ms. Burgess said staff and the Planning Commission recommend allowing detached accessory dwelling units. Responding to Mayor Marshall, Council indicated consensus with Option 1 to allow attached and detached ADUs in single family districts.

Referring to the Economic Development Element, Mayor Marshall noted the additional language proposed by Councilmember Lee on page 3-30 of the packet (Option 1). Mr. Lee expressed support for the language in Option 2 (which expands on Option 1) in addition to the paragraph proposed under Option 3.

Mayor Marshall noted Council approval of the first sentence under Option 3, as a separate policy statement, and approval of Option 2 for language in the preamble to the Economic Development Element, revised to delete the following sentence: "Local programs can be expanded or started to increase international connections and relationships such as sister cities and exchanges with Bellevue's excellent business, education, and medical institutions."

Moving to policy ED-29, Mayor Marshall recalled Council's previous discussion regarding the term "knowledge worker" in the Comprehensive Plan Vision and Economic Development

Element. She noted staff's options for revised language on page 3-31. Council indicated support of Option 1.

In the Environmental Element Overview, Council expressed support for the language proposed under Option 2, with the following revision to the second sentence of the paragraph: "The City leads and supports efforts to protect and improve the environment while balancing ~~considering~~ its other goals, responsibilities, and requirements."

Mayor Marshall noted Councilmember Lee's proposed addition to the Human Services Element on page 3-33, which states the importance of education for Asian-Americans. Mr. Lee encourages more programs to foster and serve the Asian-American community.

Mayor Marshall expressed support for staff's language in the Overview, which encompasses increasing diversity in the community in terms of age (senior citizens), ethnic/cultural background, and economic status. Mr. Noble concurred. Ms. Burgess clarified this paragraph is already in the Human Services Element.

Mayor Marshall indicated Council agreement to not make any changes to the recommended Human Services Element.

Mr. Lee clarified that the need he is referring to is for classroom space for Asian-American programs.

Mayor Marshall suggested it would be more appropriate to take his proposal to the Bellevue School Board. She stated her ongoing support of the Human Services Commission's process in which all requests for funding are equally evaluated according to established criteria.

Moving to the Downtown Subarea Plan, Mr. Stroh indicated the Planning Commission's support for Option 2 regarding a lineal green buffer on Main Street between 112th Avenue SE and 110th Place SE. This is consistent with the recommendation of the Downtown Implementation Plan Citizen Advisory Committee as well.

Responding to Deputy Mayor Noble, Mr. Stroh clarified there was a separate recommendation by the Planning Commission to consider green buffers on Main Street between 108th Avenue SE and Bellevue Way.

Mr. Chelminiak noted Bellevue Downtown Association's position against encouraging mini parks west of 108th Avenue on Main Street (Page 3-70 of packet). They feel open space at this location will not benefit residents and will preclude the development of higher and better uses.

Mr. Chelminiak favors extending the potential area for green buffers from 112th Avenue SE to the equivalent of 109th Avenue SE. He feels Option 1 more closely reflects this concept. Mr. Degginger concurred, noting his preference to encourage open space in the southeast corner of downtown without identifying specific locations.

Mayor Marshall indicated Council consensus for Option 1.

At 8:39 p.m., Mayor Marshall declared recess for a short break. The meeting resumed at 8:45 p.m.

(d) 2005-2006 Operating Budget and 2005-2011 Capital Investment Program (CIP)
Plan Review and Discussion

(1) Response to Council questions from November 1 Budget Review

Finance Director Jan Hawn noted packet materials responding to Council's previous questions regarding staff's economic development proposal, the history of the cable franchise fee, and the history of local utility tax rates (Page 3-75). In reference to the second item, Ms. Hawn explained that Bellevue began imposing a 4.8 percent cable TV utility tax in 1974. In 1995, the City restructured its tax and fee schedule to impose a 5 percent cable franchise fee and to no longer assess the 4.8 percent tax.

The cable TV franchise agreement adopted by Council on July 6, 2004, included the implementation of a five-year PEG fee for capital funding needs associated with BTV and removed the franchise fee offset provision. Ms. Hawn noted the table comparing franchise fees and cable utility tax rates, where applied, for 25 Washington cities. Most charge both a franchise fee and a tax.

Mayor Marshall recalled previous Council discussions about the cable utility tax and suggested Council make a decision on this budget item tonight.

Dr. Davidson is reluctant to impose the cable utility tax and would like to be able to consider other options for either bridging the approximate \$1 million budget gap or eliminating budget items. As one potential alternative, he mentioned the revenue to be generated by Puget Sound Energy's rate increase, which was suggested by David Plummer in a letter to Council and during Oral Communications. Mayor Marshall noted her interest in considering the PSE-related revenue as well.

Dr. Davidson is hesitant to impose a new tax at a time when the economy is beginning to recover. He suggested an approach to use the Rainy Day Reserve or similar fund for the next two year's budget and to reevaluate the need for new revenue sources at that time. Mr. Lee concurred.

Mayor Marshall summarized Council's interest in hearing more information regarding three alternatives: 1) The amount of sales tax to be generated by the Lincoln Square and Overlake Hospital Medical Center projects (Revenue is not currently budgeted.), 2) Revenue to be generated by PSE's rate increase, and 3) Is it feasible to temporarily offset the 2005-2006 budget deficit using Rainy Day Reserve funds?

Ms. Hawn feels the City will need to identify new revenue sources for the long term.

Mr. Chelminiak is not ready to approve the cable utility tax without first exploring alternatives more fully.

Mayor Marshall recalled that Council received a memo last week listing revenue options as well as potential budget items to be reduced or eliminated. She suggested Council discuss these options and potential tradeoffs during next week's meeting.

Planning and Community Development Director Matt Terry briefly reviewed Attachment 1 regarding economic development funding, which proposes \$200,000 per year in the 2005-2006 budget to support a new Economic Development Director position.

Responding to Councilmember Degginger, Mr. Sarkozy said \$400,000 in the 2003-2004 economic development budget remains unspent.

Mr. Terry said time has been scheduled for Council's December 6 meeting to discuss economic development.

Mayor Marshall asked staff to provide the following information for the December 6 meeting:

- Identify 2003-2004 economic development budget items with remaining unspent money.
- Identify economic development items proposed for funding in the 2005-2006 budget.
- Job description for Economic Development Director.

Mrs. Marshall suggested economic development should be a top priority agenda item for Council's annual retreat in late January.

(2) Critical Areas Notebook

Ms. Berens explained that the Critical Areas Notebook is a companion to the City's Land Use Code critical areas regulations anticipated in early 2005 in response to the Growth Management Act. The notebook is intended for residents and developers and will include detailed technical information necessary to comply with the new regulations as well as solutions for typical development scenarios affected by critical areas. Staff is requesting an additional \$130,000 in the budget to complete the notebook.

Responding to Mr. Chelminiak, Ms. Berens confirmed that the total cost is estimated at approximately \$200,000, and \$75,000 has already been budgeted. Mr. Chelminiak questioned the potential for grant or other funding. Ms. Berens said staff has contacted other local jurisdictions to determine whether they would be interested in partnering with the project, but no commitments have been solidified at this point.

Deputy Mayor Noble acknowledged the notebook would be helpful but questioned whether it should be a funding priority at this time. He said only approximately 3,500 residents are affected by critical areas and a small number would use the notebook on an annual basis. Mr. Terry noted an additional 1,000 shoreline property owners in the city as well.

Mr. Degginger feels the notebook is a good idea. He wondered if a similar approach to provide tree cutting regulations would be beneficial for the community. Ms. Berens said tree retention and preservation in critical areas will be included.

Mayor Marshall expressed support for the Critical Areas Notebook as a service to neighborhoods.

(3) Urban Corridor Design/High-Capacity Transit

Mr. Terry described an urban corridor/high-capacity transit budget proposal to conduct an analysis of alternative future development scenarios for the Bel-Red Road corridor. The study will examine land use alternatives, provide a City transportation analysis, and complete an EIS (Environmental Impact Statement). Discussions will be coordinated with the City of Redmond with respect to the BROTS (Bel-Red Overlake Transportation Study) Interlocal Agreement.

Mr. Stroh described the Bel-Red Road corridor as an area in transition that was originally planned for light industrial development. The total \$982,000 proposed for this budget item includes \$300,000 for land use review, \$250,000 for the transportation analysis, \$250,000 to complete the EIS, and funding for a two-year Transportation staff position in support of this effort. Responding to Mr. Degginger, Mr. Stroh said the staff position remains in the General Fund budget but will be reimbursed from the CIP budget.

(4) Eastgate Subarea Plan

Mr. Terry described a budget proposal to develop urban design and development alternatives for the Eastgate area and to conduct the first major update of the Eastgate Subarea Plan in 14 years.

Mayor Marshall suggested working toward annexation of the remaining unincorporated portion of the Eastgate area along with the effort to update the subarea plan. Mr. Degginger concurred.

Mayor Marshall asked staff to develop a cost estimate for annexation of the Eastgate potential annexation area (PAA).

(5) Neighborhood Investment Strategy

Mr. Terry described proposed funding of \$250,000 per year to continue the Neighborhood Investment Strategy. Specific projects will be identified by Council and staff.

(6) False Alarms

Police Chief Jim Montgomery described a proposal to establish an alarm registration fee and to increase the current false alarm fee. He noted the high incidence of false alarms (4,000 per year), which takes officers away from responding to legitimate emergency situations. The implementation of Bellevue's current false alarm ordinance eight years ago decreased false alarms by approximately 40 percent. However, further decreases in false alarms have not occurred.

Responding to Mayor Marshall, Chief Montgomery said the implementation of any changes will be fully communicated to the public. Chief Montgomery responded to additional questions of clarification.

- ➡ Deputy Mayor Noble moved to extend the meeting to 10:30 p.m., and Mr. Chelminiak seconded the motion.
- ➡ The motion to extend the meeting to 10:30 p.m. carried by a vote of 7-0.

(7) Fire Inspection Program

Fire Chief Mario Trevino described a proposed fee for annual fire inspections. Since 1998, more than 20 million square feet of additional building space requiring inspections have been added to the community. However, no additional inspection resources have been added. Of the 8,000 occupancies in the community, nearly 1,000 were not inspected in 2003. Chief Trevino said fire and life safety inspections are key in maintaining low fire and life losses and favorable insurance rates. A fee for service program is proposed to enable the inspection of all occupancies in the city.

Fire Marshall Steve Nuttall said inspection staffing levels have remained relatively constant for the past 20 years, but the workload has grown significantly. Efficiency measures initiated in recent years include the self-inspection program for low risk occupancies, a new data processing system, and the redistricting of inspection responsibilities. Fire fighters continue to conduct inspections in the field as well.

Mr. Nuttall reviewed an example of an estimated fee for a business with 1,500 square feet. The basic fee would be \$35 and there is no square footage charge for businesses with less than 2,000 square feet. There is no sprinkler discount so the total fee would be \$35. Approximately half of all Bellevue businesses would be charged a fee of \$35, or less with a sprinkler discount. For a larger occupancy of 60,000 square feet, the business would be charged a basic fee of \$35, a square footage charge of \$125, with a 25 percent sprinkler discount of -\$40, for a total fee of \$120. Government and school buildings are exempted from the fee but inspections would be conducted.

Mr. Nuttall noted a 50-percent cost recovery target associated with the proposed fee structure. The program is estimated to generate approximately \$430,000 annually. Eligible occupancies would still be allowed to participate in the self-inspection program every two years, with a Fire Department inspection in the alternate years.

Dr. Davidson suggested utilizing a portion of B&O tax revenues for fire inspection services.

Noting that the majority of Bellevue occupancies are inspected annually, Mr. Lee questioned whether it is necessary to provide inspections every year. Mr. Nuttall said the annual inspection cycle is based on safety issues as well as the desire to maintain Bellevue's Class 2 fire insurance rating.

Mr. Degginger questioned the rationale of charging a fee to private schools but not to public schools. Chief Trevino said staff determined it is not practical to charge a fee to government and public agencies, which are tax supported.

Mayor Marshall noted the estimated cost of \$160,000 to hire two additional employees to conduct inspections. She questioned the higher revenue to be generated. Ms. Hawn explained that the total cost of the fire inspection program is approximately \$850,000, and a cost-recovery target of 50 percent was set for the fee schedule. Mayor Marshall suggested considering a fee schedule based on recovering the cost of hiring the two new inspectors.

Responding to Mr. Chelminiak, Mr. Nuttall said there is an insurance premium savings of 10 to 15 percent for each rating classification.

Deputy Mayor Noble feels the proposed inspection fees are reasonable, particularly in light of their favorable impact on insurance ratings. He does not see a contradiction in exempting public buildings and schools from the inspection fee and requiring private schools to pay an inspection fee.

☞ Deputy Mayor Noble moved to extend the meeting to 10:45 p.m., and Mrs. Marshall seconded the motion.

☞ The motion to extend the meeting to 10:45 p.m. carried by a vote of 7-0.

Mr. Chelminiak questioned whether a 15-month or 18-month inspection frequency would make occupancies less safe than an annual inspection schedule. He is open to exempting both public and private schools from the inspection fee.

Dr. Davidson reiterated his position that B&O tax revenues should be used to cover fire inspection costs.

Mr. Lee does not support the proposed fire inspection fee.

Mayor Marshall asked staff to prepare an example of the total fire inspection fees to be generated from a local shopping center.

(e) Update on Section 4.28 of Bellevue City Code (Purchasing)

Ms. Hawn briefly reviewed staff's proposed revisions to City Code section 4.28 regarding purchasing practices. The update modifies bid limits, allows the reserve auction process (also known as real-time competitive bidding), and corrects minor errors and improves consistency within the code.

Mr. Degginger is opposed to increasing the bid limits associated with the requirement for Council approval of individual bids. He would prefer to wait and see how Council-approved

changes to the City's contracting policies are working before considering any changes to bid limits.

Mr. Chelminiak expressed support for allowing real-time competitive bidding. Mayor Marshall concurred.

Mayor Marshall noted Council's interest in additional information regarding the proposal to modify bid limits.

Mayor Marshall declared the meeting adjourned at 10:43 p.m.

Myrna L. Basich
City Clerk

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